

June 29, 2018

Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

Re. Recommendation for Administrative Monetary Penalty Payment Order
by Securities and Exchange Surveillance Commission

Today, the Securities and Exchange Surveillance commission issued a recommendation to the Prime Minister and Commissioner of the Financial Services Agency for an order to pay an administrative monetary penalty against our Company based on a finding of facts that a violation of laws and regulations by our Company was identified.

Although our Company has been striving to perfect its internal control and compliance system, we sincerely take the fact that this case has occurred, and from now will further strengthen our internal control and compliance system throughout the whole company and work to ensure that this case will never occur again.

We sincerely apologize to our customers and other stakeholders for the inconvenience and concern that we may have caused.